



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 3, 1991

Incline Reserves, Inc.
c/o Dana Delventhal
P.O. Box 1915
Farmington, NM 87499

Administrative Order NSL-3001

Dear Ms. Delventhal:

Reference is made to your application dated March 20, 1991 for a non-standard coal gas well location for your existing Federal 11 Well No. 2 located 1450 feet from the South line and 2250 feet from the West line (Unit K) of irregular Section 11, Township 28 North, Range 9 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. All of said irregular Section 11 shall be dedicated to the well forming a standard 267.72-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/ck

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington